and related aggregates for the year 1985-86 along with the revised estimates for the 1983-84 and 1984-85 on 16th January, 1987. It also presented the rates of gross savings at the time of release of its estimates. The CSO does not compile the rates of marginal savings, which can however, be worked out as a proportion of the increase in the savings in a year to the corresponding increase in the income. the gross savings rate for the years 1983-84, 1984-85 and 1985-86 are 22.2%, 22.9% and 22.8% respectively with the corresponding marginal rates of 19.8%, 29.6% and 21.7%. The corresponding estimates for the current year would be available in January 1988.

(b) According to the Seventh Five Year Plan, the savings rate in 1989-90 is expected to be 24.5 per cent which implies a marginal saving rate of 28.4 per cent.

Gross National Product

1868. SHRI PRAMOD MAHAJAN: Will the PRIME MINISTER be pleased to state:

(a) what have been the growth rates in Gross National Product during each of the last three years and the estimated one in the current year; and

(b) what targets have been fixed in the Seventh Five Year Plan for the purpose?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM): (a) According to the latest estimates released by the Central Statistical Organisation (CSO) the growth rate of Gross National Product (GNP) at constant (1970-71) prices was 8.0 per cent in 1983-84, 3.7 per cent in 1984-85 and 5.1 per cent in 1985-86. Similar estimates for 1986-87 would be released by the CSO in January 1988. However, the growth rate for the current year in the Economic Survey is anticipated between 4.5 and 5.0 per cent.

(b) The Seventh Five Year Plan envisages a growth rate of 5.0 per cent as measured in terms of Gross Domestic Product.

Amount lying unreconciled in banks

1869. SHRI KRISHNA KUMAR BIRLA: Will the PRIME MINISTER be pleased to state:

(a) what is the estimated amount lying unreconciled in various nationalised banks in the country at the beginning of 1986 and at the end of the same year stating the names of the nationalised banks having the highest unreconciled amount;

(b) whether Government have made any inquiry into the unreconciled amounts lying in various nationalised banks; and

(c) if so, what is the result thereof stating the number of cases in which fraud/misappropriation by the bank employees have been established, the amount involved and the action taken/proposed to be taken by Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) Reserve Bank of India (RBI) has reported that as per the information readily available, the total amount involved in unreconciled entries of 20 nationalised banks relating to the period upto 1984 has been brought down by about 44.0 per cent from Rs. 103394 crores as on 31-12-85 to Rs 57909 crores as on 30-6-86 According to the information furnished by RBI, the amount involved in unreconciled entries was relatively higher in Indian Overseas Bank, United Bank of India, Bank of Baroda and Vijaya Bank as compared to other nationalised banks as on 30-6-86.

(b) RBI and the Government have been impressing upon the banks from time to time the importance of prompt reconciliation of inter-branch accounts

and urging upon them to initiate effective and concerted measures to keep this work upto date by streamlinging their system and procedures in this regard and clear the arrears within a time bound programme. The banks are seized of the problem and have initiated a number of measures to bring about the improvement in this area of work. Most of the Public Sector Banks have computerised their inte-branch reconciliation work. The progress made by banks is also reviewed by the Reserve Bank of India and the banks' own Boards.

(c) Reserve Bank of India have reported that the present data reporting system does not yield information relating to the number of cases of frauds due to delay in reconciliation alone. As per the information furnished by the RBI, the Public Sector Banks have reported to RBI a total number of 1822 suspected fraud cases including cases of misappropriation in India during 1986. Whenever a fraud is detected by a bank or is brought to its notice, a preliminary investigation is made by the bank and based on the findings, a decision is taken to conduct a thorough investigation departmentally or to handover the case to the local police or to the CBI. On the basis of the enquiry report received from the CBI|Police, or from internal enquiry, banks award punishment to their staff who are found to be responsible for the lapses or negligence facilitating the commission of frauds.

Rural development allowance

1870. SHRI KRISHNA KUMAR BIRLA: Will the PRIME MINISTER be pleased to state:

(a) whether Government have made any evaluation to know how far the rural development allowance on income-tax incentive given to the industry has evoked response in achieving the socio-economic objective by directly involving the industry in the task of rural development;

(b) if so, what are the details thereof stating the number of companies which obtained approval for their programmes since the inception of the income-tax incentive, the number of those who actually implemented their programme and the companies which lost interest after a modest implementation of their schemes;

(c) what according to the evaluation made by the Government are the causes for lukewarm response and failure to motivate the industry in the task of rural development; and

(d) what steps are contemplated by the Government to involve the industry in the cause of rural development in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) Yes, Sir. The task was entrusted to the National Institute of Public Finance and Policy, New Delhi.

(b) As per the report only 155 companies have obtained approval for the programmes and out of those who obtained the approval not all went ahead to implement them. Roughly 1/5th of them did not implement them. 1/3rd of the companies which availed of the benefit of the provision lost interest in it affter implementing relatively modest programmes.

(c) The main reason for the lukewarm response and failure to motivate the industry in the task of rural development is the inability or unwillingness on the part of many companies to tackle the managerial and other problems involved in executing the rural development programme on their own. Further section 35CCA which was inserted by the Finance Act, 1978 proved more popular. According to this provisions companies could avail of full deduction of the sum paid to approved Associations and Institutions which undertook approved rural development programmes, and the companies did not themselves have to execute the programmes.